

Legislation targets businesses that file incomplete and/or incorrect reports

A new state law affects your Unemployment Insurance tax filing

Under terms of a new state law (Second Engrossed Senate Bill 6097), the Employment Security Department is reviewing Unemployment Insurance tax and wage reports filed by businesses for completeness, the use of proper forms, and/or proper formatting. The review process began in July.

Why has the law changed?

The Legislature's goal is to encourage businesses to file complete and accurate reports in the proper format. This trims processing costs and provides accurate data for decision-making on tax collections and unemployment benefit payments.

"The Legislature expects us to clean up the tax and wage reporting process and we take that mandate seriously," says Diane Bren, Deputy Assistant Commissioner, UI Tax and Wage Administration. "Our goal is to give businesses the information, education, and support they need to comply with the law and avoid the penalties altogether."

What happens next?

Any business that files an incomplete or incorrect report will receive a warning letter. If the problems noted in the letter recur in a later filing quarter, penalties will be charged in accordance with the new law. Penalty charging will begin in October 2004. We will apply the penalties both equitably and judiciously, especially where an insignificant error or oversight is involved.

Employment Security is an equal opportunity employer and provider of employment and training services. Auxiliary aids and services are available upon request to persons with disabilities.

What are the penalties?

Penalties will apply to incomplete or incorrect reports filed either on paper or electronically. If tax is owed, the penalty is 10 percent of the quarterly tax due, up to a maximum fine of \$250.00. If no quarterly tax is owed, the following penalties will apply each time an incomplete and/or incorrectly formatted report is submitted:

	Maximum 1st Time	Maximum 2nd Time	Maximum Every time after
Incomplete Report:	\$ 75.00	\$150.00	\$250.00
Incorrect Format:	\$150.00	\$250.00	\$250.00

Note: For reports that are both incomplete and incorrect, only the higher penalty is charged.

How is complete/correct reporting defined?

A complete report is submitted timely AND with the employer reference number and UBI number included AND with all required elements of information filled in AND with complete information reported for all employees. A correctly formatted report is filed using one of our electronic reporting tools OR printed on paper forms that we provided by mail or through a tax office OR printed on forms certified by the Department for compatibility with our scanners.

We are here to help

Please call your local District Tax Office for answers to any of your filing questions. We can help you understand the new tax law and comply with it. We also can help you use electronic filing and payment systems that simplify compliance and cut tax preparation costs.



**Employment
Security
Department**
STATE OF WASHINGTON

**Unemployment Insurance
Tax and Wage Administration**

It's easy to comply with the law

Electronic filing is a good option to reduce the risk of a penalty, because it ensures proper formatting. Learn more at www.wa.gov/esd/uifasttax. To request paper forms or to have a form you designed certified for use, email taxforms@esd.wa.gov or call your local District Tax Office at the number listed below. For further guidance, ask your District Tax representative for the new brochure entitled, "File it Right" which illustrates how to file using correct forms, properly formatted, with complete Unemployment Insurance tax and wage data. This brochure is also online at www.wa.gov/esd/taxalerts.

District Tax Offices

Bellevue	(425) 649-4388
Bellingham	(360) 676-2070
Lynnwood	(425) 774-2380
Olympia	(360) 407-5145
Seattle North	(206) 706-3801
Seattle South	(206) 766-6300
Spokane	(509) 532-3090
Tacoma	(253) 593-7380
Tri-Cities	(509) 734-5880
Vancouver	(360) 735-5050
Wenatchee	(509) 662-0448
Yakima	(509) 574-0137
Out-of-State	(360) 902-9620